COMMENTS of MEMBERS OF THE PERFORMANCE MEASUREMENT
ADVISORY COUNCIL

William D. Eggers,
Member, PMAC
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Comments and Suggestions about the PART

1. Strengths and weaknesses of the <u>presentation </u>of performance information in PART summaries

<u>Strengths</u>

- ✓ OMB did a terrific job in laying out the information in a very easy-to-read fashion. I don't know that there is anything major about the presentation of the PART summaries that I would change.

- ✓ Another strength is the way that the PART information was seamlessly integrated into the larger budget document.

<u>Weaknesses</u>

- ✓ The budget presentation needs to be built as a web-based document in which the user can click through layers in order to get to greater and greater levels of detail about a department or program. PART should then be built the same way with embedded links from the main budget document to the PART summary to the PART worksheet. Like Florida's e-budget, the user should also have the opportunity to slice and dice the data in different ways.

✓ I think there should have been a prominent write-up, description, and visual detailing the common measures project somewhere between pages 47-52 of the budget document. Anyone wanting to find any information about the common measures would have had to dig through the entire budget to see examples in particular agencies and even then there was little or no explanation of the common measures concept.

2. How Can PART be improved or revised?

I would like to answer this question in three parts: 1) What worked; 2) Agency issues with the PART; 3) Recommended changes.

A. Benefits of the PART

- **Increase in transparency.**

    The level of transparency is unprecedented. For the fist time ever, we the general public can have a better understanding of the results realized – or, sometime, lack thereof – of the federal programs that we're funding.

- **Unparalleled consistency in what OMB examiners reviewed in the agencies.**

    The PART provides a standard set of questions and standard methodology. Too be sure, there may have been some instances when the OMB examiners didn't follow the guidance, but this is easily rectified because the process and methodology is fairly transparent.

- **Focus on Results.**

    Agencies had never before really been subjected to a process that said that if they are not achieving results, then their budget is at risk.

GPRA coordinators in agencies told me that it gave them some solid back-up and support in getting program heads to focus more on results numbers.

- **Many long neglected programs received needed attention.**

    Programs that for years or decades had never received any senior management interest were finally given some attention. At the Department of Interior, for example, the natural fish hatcheries program had had some problems for decades, but never before had it gotten anywhere near 80 hours of anyone's time at the department or OMB. Because it was subjected to the PART, this program received that attention and will therefore be improve.

B. Problems/Issues Identified by the Agencies

I would like to preface this section by noting that I do not necessarily agree with all the points. I am simply relating back what I heard from my conversations with a number of agencies.

- **PART needs to do a better job showing trajectory of performance**

    Some agencies felt that the PART didn't sufficiently take into account whether an agency was making progress towards meeting performance and management goals. They would like there to be a better way of saying whether an agency was improving or not. Moreover, they believe the PART tool needs a better way of showing flexibility for programs and goals that are going through an obvious transition - i.e. regulations about to show up for clearance, draft GPRA plan or they've just been re-authorized – and that in these instances the programs in transition should get some kind of disposition.

- **PART failed to take into account statutory restrictions.**

The agencies contention is that PART should be about how well they are doing within the construct of current law. Some felt that OMB examiners had a tendency to use the PART as a way of comparing the existing situation with an environment free of statutory guidelines. The agency position then is that OMB should examine to statute, not the ideal.

- **OMB did not do a good enough job articulating what it was trying to do with PART**

    Another comment I heard was that OMB needs to do a better job tying all the pieces together and explaining the ultimate goal of the PART, i.e. measuring the value produced versus the quantity spent.

C. Recommended Changes

- **Use the PART to develop a tickler list of needed statutory and regulatory changes in programs.**

    OMB should back down from looking at the "ideal" performance for these programs. The PART is not and should not be a compliance review. The PART can serve an incredibly useful function by laying out in a very straightforward fashion all the legislative and regulatory barriers that limit the ability of the program's managers to meet the goals/ideal. This would provide the agencies – working with OMB - with a real incentive to bring out into the open all the regulatory and statutory barriers that prevent them from meeting their targets. Ultimately, this could help to move the federal government towards a situation where Congress is more accountable for the restrictions they place on the freedom of the agencies to operate and innovate. The one caveat is that OMB should not allow the agencies to use the presence of statutory barriers as catch-all excuse for not improving and not showing results. To ensure this does not happen, OMB examiners should have to validate in each case that the restrictions are

real, are significant and having a demonstrable negative impact on performance.

- **Simplify some of the questions and procedures.**

  At least one agency told me that OMB could have gotten 80% of the value from PART by asking only 20% of questions. This is obviously a subjective view; however, it probably makes sense for OMB to look at where it might be possible to reduce the number of questions.

- **Start it earlier**

  The timing of the first PART was very difficult for agencies.

- **More clearly demonstrate the link between PART and GPRA**

- **More clearly present link between PART score and funding recommendation**

  Demonstrate more clearly how the performance affected the agency's funding.

- **Refine selection of programs subjected to PART.**

  Instead of a random group of programs, select certain government-wide outcome and performance measures and then apply the PART tool to all the programs that affect these measures in the same cycle. By doing this, it makes it easier to make tradeoffs.

- **Expand the use of Common Measures**.

  On a related note, the common measures exercise was perhaps ultimately one of the more important elements of the performance and budget integration project. Unfortunately, it seems to have stalled a bit in the first year before it really got a head of steam. The common measures

exercise should be expanded to become a major part of the PART project this fiscal year.

- **Launch a PART Best Practices/Communities of Practice website**

    I heard from several PART coordinators that it would be very helpful if someone could put together a website of PART best practices, as well as some kind on an online forum in which PART coordinators, program heads etc could exchange ideas and lessons learned. I suggest that OMB work with groups such as NAPA, the Council for Excellence in Government and the Performance Institute in trying to put together a PART Communities of Practice website and online forum.

3. **How Should PART treat programs with acceptable measures but bad targets**

    The targets should be something worthy of achieving. The current PART process - in which OMB insists that the measures be clear, demonstrable and ambitious in order to get a solid score - is the right one. If an agency could still score well despite having bad targets it would provide a strong incentive to low-ball measures.

4. **Are there acceptable alternative measures when there are no outcome goals?**

    Rarely. In certain cases, outputs can be used instead of outcomes, but these instances should be few and far between. Even for many process-oriented programs it is possible to construct outcome measures. The most difficult area is likely to be block grants.

5. **Should the PART enforce a linkage between strategic planning and results?**

Absolutely. This is the linchpin of a strong performance management system. Unfortunately, most government strategic plans are deficient in terms of including many indicators and long-term targets. This process might help to rectify this.

Comments and Suggestions
PART 2004 and 2005

Below are my responses to the questions asked in Thomas Reilly's Memo to the PMAC of February 11, 2003, along with other suggestions about the process.

Q1: Strengths and weaknesses of the PART summary presentation

1. <u>Overall, I believe the presentation format for the PART ratings in the "Performance and Management Assessments" volume is good.</u> It is considerably better than earlier versions. Separating the results ratings from the ratings of a number of factors that are expected to affect results is excellent.

   The results information should be the primary basis for the program's "effectiveness" rating. (Is this the case for 2004?)

2. <u>However, distinguishing between "long-term" and "annual" measures seems unnecessary and potentially confusing.</u> The measures in the volume indicate this confusion. Long term measures should be measured annually, and annual measures important enough to be in the summary should also be important over the long run.

Q2: Improvements to PART

3. <u>The PART assessment process should not be left to the last few months of the budget year.</u> Considerably more time should be given, especially for programs to prepare supporting materials.

4. <u>OMB, and agencies, should make sure that the performance indicators in the GPRA annual plans and reports are subsets of the performance indicators examined in the PART reviews and be fully compatible.</u> Both set of indicators should be part of the same agency performance measurement system. These should be fully compatible and not be viewed by agencies or OMB as two different sets of performance indicators.

5. <u>OMB should permit agencies to use any outcome indicators it wishes in justifying its budget requests and to support the OMB PART appraisals.</u> Of course, OMB staff can choose to ignore any of the indicators if a strong enough case is not made by the program for their inclusion.

6. <u>To minimize subjectivity the ratings should focus on the outcome data, including the results of any credible, and reasonably recent, evaluations of the program. Suggestions for reducing the negative effects of the subjectivity are given in items 7-12.</u> Any ratings of program purpose and design, strategic planning, and program management are bound to be heavily subjective. The use in the 2004 PART of weights for each sub-criterion to produce an overall section rating adds another dimension of subjectivity. By far, the information most likely to be objective, especially if attention is explicitly paid to data quality controls is the outcome (and cost) information.

7. <u>A major part of the 2005 effort should go towards improving the outcome information – both the selection of outcome indicators and data collection.</u> This effort should substantially improve both PART effort and the GPRA annual plans and reports. This is key to making program assessments truly valid.

   OMB and agency personnel should recognize the importance of both "intermediate" and "end" outcome indicators for assessing results. Many federal program, such as those that work through other levels of government, produce important intermediate outcomes, ones that can be measured in a more timely manner than many end outcomes.

8. <u>For each of the sections of the FY 2005 PART instrument, raters (whether agency or OMB) should only be asked to provide one overall rating.</u> The sub-criteria contained in the FY 2004 PART instrument should still be included to help raters make the overall rating, but without requiring raters to make separate ratings of each. Comments/explanations should still be provided where appropriate by raters, perhaps triggered by one or more of the sub-criteria. The selection of the sub-criteria and the weightings are highly judgmental. The focus on the bigger picture will give raters more flexibility in reviewing each section and will likely be less burdensome for raters. Of course, those raters that wish to use the weights could still do so. If this is not changed, at least drop the apparent requirement to provide only a "yes" or "no" response. Such "binary" responses do not capture the complexity of the program environments.

9. <u>For Section IV on Program Results, the results of any reasonably recent in-depth program evaluations/studies should be considered to be an integral part of the ratings of results – not as a separate rating item.</u> The findings might even supercede the findings from the program's regular outcome measurement process -- if the evaluation study used a sound methodology.

10. <u>The sub-criterion in Section IV, Results, on how performance compares to other programs should be folded into the ratings on the outcome indicators.</u> In those cases

when comparable comparisons are available, that information should be part of the raters judgment on the outcome indicator data as to whether "adequate progress" has been made.

11. <u>Consider adding a criterion to Section IV, Program Results, calling for key data on distributional effects – for those programs for which this has been a significant concern.</u> This would call for added data comparing outcomes for customer groups, broken out by a characteristic such as gender, age group, race/ethnicity, or geographical grouping. Often such breakouts are national concerns and are sufficiently important to be considered in the Results score and overall rating of program effectiveness.

Q3: Problems with targets

12. I am not clear what is meant by "bad" targets. Conceptually, targets should have been "negotiated" between programs, the agency, and OMB. Targets usually only appear bad after the fact. A good way to alleviate the problem and improve the value of the PART process is the following.

    <u>OMB should incorporate an explicit step in which programs are required to explain reasons for "substantial' differences between planned and actual outcomes, such as those that differ by at least 10%.</u> This step should be considered a major part of program assessment. This information should provide OMB and others with a better perspective on what is happening and be fairer to the programs. (It is to be expected , of course, that some explanations will not be very useful.)

    Note that this same requirement probably should also be applied to the outcome information in GPRA annual plans and reports.

13. <u>The excuse that a program does not have outcome indicators because they cannot pinpoint the contribution of the program should not be an acceptable reason for not including outcome indicators.</u> Few, if any, programs can pinpoint their contribution to meaningful outcomes. OMB needs to make clear that what is expected from these particular measurement systems are "running scores" as to what results have occurred , but these particular data are not expected to identify the specific contribution of the program to the measured value. Most outcome indicators can at best, provide only a rough indication of the program's contribution. Inevitably many other factors exist other than the program's own efforts that affect the outcomes. (For example, even such intermediate outcomes as program response times to citizen requests can be considerably affected by outside factors such as an unexpectedly large number of requests that makes it impossible with the program's resources to meet its response-time targets, even though the program may have been managed very well.)

Q5: Linkage between PART and strategic planning

14. <u>PART, GPRA, and Strategic plan outcome indicators and targets should be compatible.</u> Strategic plan should contain key, major, outcome indicators, which should be reflected in the PART and GPRA material. Strategic plans should also have numerical targets for each of its outcome indicators, along with the most available recent data. Those key indicators should be included in agencies' annual plans and reports and be part of the PART review. The federal government should not have different "performance books" that are not built on the same basic goals and objectives. (Unfortunately, my observation of the plans is that few strategic plans have had these elements.)

    Where incompatibilities occur in outcome indicators and targets, these should be explained (such as that the strategic plan has not been recently updated).

<u>Miscellaneous suggestions</u>

15. <u>OMB should pursue its effort at cross-cutting, "common performance measures" program, but should view this effort as an attempt to develop more coordination and cooperation among programs that have overlapping missions – to improve results.</u> Less emphasis should be on the use of the information to make comparisons (which are likely to be often fraught with elements that weaken the comparisons -- such as that programs focus on different population segments).

16. <u>It seems clear that OMB and, probably agency personnel need further training in outcome measurement.</u> This will be especially so as turnover occurs and new personnel are given the assessment job.

17. <u>If not already being done, OMB should fully brief key Congressional committee staff, and to the extent practical members of Congress, on the PART process – both what information it provides and its limitations.</u>

18. <u>OMB should place added effort on encouraging agencies and their programs to use the PART information internally to improve the management of their programs and their results.</u>

19. <u>If not already done, OMB should be explicit about what actions programs that have been assessed in 2004 or 2003 need to do in 2005.</u>

20. <u>Survey participants for their suggestions for improving the process.</u> Survey both agency and OMB participants.

21. <u>The White House should provide recognition awards to programs achieving significant progress on results.</u>

What do you see as the strengths and weaknesses of the presentation of performance information in the PART summaries?

The PART summaries provide a good "overview" of the program being evaluated. They're also a very good start at breaking the activities of the Federal Government into discrete, analyzable parts. They are also graphic in nature and provide some details on funding and activity levels. They are easy to read and do not require a great deal of cross-referencing to other documents. It is also clear where the responsibility for the program resides.

On the other hand, there is no sense of " priority" or "importance" levels to the program being evaluated - - so it's difficult to tell if a good or bad rating is really that important. There is also very little information on the non-federal world/situation that the program is active and there is little information on outside trends that would impact this program. While deficiencies are described in general there is very little specifics and the importance of the deficiency is not clear in all cases.

Finally, there are few specific "metrics" to the recommendations in terms of deliverables and timing - - and it's not at all clear how this evaluation affects the Presidential Budget proposals.

How can the PART be improved or revised? Page 52 of the Budget described a series of

issues for the PART and invited public comments.

Much of the answer to this question is included in the "weaknesses" mentioned previously. The "presentation" is ok for now - - but there should be a sense of "priority" of the program being evaluated, more factual information on the program and its impact, better description of the market/industry/environment in which the program exists, more specific metrics/timing on improvements required and a description of the impact on the Presidential Budgets proposal.

Given that the PART provides an incentive for agencies to improve performance information, how should the PART treat programs that have acceptable measures but bad targets?

This clearly is a difficult question and the answer could change from Administration to Administration. While some on the Council may think that this subject should be avoided - - I do not. I think that there ought to at least be a

discussion of the "target" or "goals" if you do not want to include it as one of the measurable items. I would have no problem with including it as a measurable item- - but probably separating it from performance.

Many programs lack outcome measures either because they cannot pinpoint the contribution of the program to achievement of the overall outcome or because the nature of their work is process-oriented. Are there acceptable alternative measures when there are no outcome goals?

I would always try to develop acceptable alternative measures to those programs that do not have specific, defined outcome goals. This is not always easy to do but I would try anyway. In some cases there may not be one alternative measure there may have to be several.

To get credit for results, the PART required that a program have acceptable measures, either long-term or annual. Should the PART continue to enforce a linkage between strategic planning and results?

Yes - - PART should always try to continue to enforce a linkage as best it can. And I would strongly suggest that the strategic planning/goals be defined with as much specificity as possible. Most of those I've seen in the government before have been very general and non-specific because it's easier to do it that way. Since OMB controls the metrics - - they can demand specificity.

General

Finally, I'm not sure that the Agencies see the direct tie between PART and the President's Budgets. I'm not sure they will also see any impact resulting from non-performance. They have to - -otherwise PART will simply become another administrative exercise that will be discontinued once this Administration leaves office. We don't want that to happen.

A side note: would you think about including regulatory programs as part of PART? Would you think also about expanding it into the e-government programs - - particularly those that are the Presidential priorities (24, I think, this year).

Donald F. Kettl
Professor of Public Affairs and Political Science

University of Wisconsin-Madison
1225 Observatory Drive
Madison, WI 53706
e-mail: kettl@lafollette.wisc.edu

Concluding Comments

Donald F. Kettl
Member, Performance Measurement Advisory Council

Summary

The Office of Management and Budget deserves enormous credit for the progress made in linking budgets with results. This is a long and, ultimately, endless process. Over the last year, the PART process has introduced an important performance rubric into the annual budgetary process. The measures have proven surprisingly robust and informative. It's clear that many agencies have a long way to go. More than half of the programs assessed, in fact, could not demonstrate what was happening with the money spent. But the PART process demonstrates quite clearly that performance measurement has great value, that it is a manageable burden, and that the value added to the process can be substantial.

Strengths and Weaknesses

The PART summaries present a great deal of valuable information. As the budget's *Performance and Management Assessment* volume illustrates, some of this information proved useful in the president's budgetary decisions. For many programs, the PART produced useful data on what the programs sought to accomplish and how well they did. Even for the substantial number of programs for which there are little data, it's clear that efforts are underway to produce better information on results. That is an impressive start for the first year.

There are several issues, however, that deserve further attention.

Objectives. The PART documents results, but it often does not clearly define the objectives against which the results are measured. The supporting material (especially the worksheets, which can be found at http://www.whitehouse.gov/omb/budget/fy2004/pma.html) provides some discussion of goals and objectives. However, since the specification and definition of goals is central to the process, the PART needs better to document the objectives for which the data are presented. In one sense, of course, the measures in practice define the objectives. The process would be stronger with a more precise definition of the objectives.

Web access. There is an impressive—and substantial—amount of data available through the PART. If the process were to continue—and it should—to compile data on the more than 1,000 federal programs, the physical size of the volume would become enormous and access to the data would become difficult. This is material that cries out for presentation on the web.

OMB ought to make the web the primary venue for presentation of the data. The website ought to be created in a way that would make comparisons among programs easy and transparent.

Reliability. A key question will be whether the system produces reliable results from year to year. Would different raters reach the same conclusions about most programs? Do changes from year to year represent real changes in the programs—or changes in the rating system or different opinions by the raters? In part, this is a measurement question (to ensure that the measures themselves are valid and reliable). In part, this is a training question (to enhance OMB's capacity to manage the system). Continuing top-level commitment from the highest levels of OMB will be required to continue driving the system ahead.

Linkage with GPRA. The linkages of the PART system with GPRA are, at this point, not clear. The goal ought to be merging the two systems into one, for several reasons. Agencies are more likely to produce solid results if their efforts are not split into two tracks. GPRA represents Congress's effort to engage in performance assessment, and PART ultimately will have meaning only if it assists the president and Congress in making budgetary decisions. Finally, GPRA flows from legislation, while PART is an executive branch initiative. Few presidential management initiatives have survived for long after the president leaves office. Integrating PART with GPRA will be the best way to ensure a continuing commitment to performance measurement.

Acceptable Measures, Bad Targets
One trap of the PART process is for agencies to produce acceptable measures on bad targets. In practice, this is two different problems: measures on the *wrong* targets (goals that the agencies might define, but which do not track with congressional or presidential goals); and measures that set the bar too low. The first problem can be solved by continuing attention to the issue and ongoing negotiation between agency managers and OMB examiners. The second can be solved by OMB examiners insisting that agencies continue to reach aggressively—and that each program's objectives drive the measures of results.

Contribution of Programs to Outcomes
What matters ultimately is whether programs achieve the outcomes that Congress and the president had in mind when they created the programs. For many agencies, however, the challenge is assessing results when they do not control outcomes—in particular, when contractors or state and local grantees are responsible for a significant piece of the program's implementation.

In many ways, this is one of the most difficult elements of the performance measurement process. In policy terms, what matters is whether programs produce desired outcomes. In accountability terms, what matters is whether managers do what they can—and should—to produce results. Managers must be held accountable for what they can control; programs must be held accountable for the results they produce. Very often, these are different—and unconnected—questions.

The best way to deal with this puzzle is by analyze the PART results for each category of federal program (competitive grant programs, block/formula grant programs, regulatory-based programs, capital assets and service acquisition programs, credit programs, direct federal programs, and research and development programs). The nature of the relationship between the actions of federal managers and programs' outcomes are likely to vary systematically by the category of the program. Comparing competitive grant programs with each other, for example, will allow apples-to-apples evaluations and produce a more sure sense of what works—and why.

These data, I suspect, will in the end be some of the most important findings of the entire process. By making such comparisons, the federal government will be better able to assess which programs work; how they work; and what can be done to improve their performance.

Linkages between Strategic Planning and Results
The PART process should, in the end, enhance the ability of policy makers to link broad strategies with practical results. Indeed, if it does not provide that connection, it will be of little use.

Each program should have measurable, annual goals. These annual goals should cumulate into medium- and long-term results. Tracking those goals and results is the core of the PART process and its most valuable element. Over time, the trajectory of the performance process should improve.

Concluding Comments
PART will have little value unless it is a long-term process. That requires several things. It must become part of the year-to-year life of federal managers, both political appointees and mid-level officials. It must become and support budgetary recommendations by OMB and, ultimately, budgetary decisions by the president. It must become integrated with GPRA.

The historical track record of performance measurement and improvement projects is not a happy one. They rarely evaporate completely; on the other hand, they rarely last past any presidential administration. Nevertheless, the PART provides a valuable answer to an inescapable questions: What value do federal programs produce for the money they spend? Budgets are always tight, and they won't get any less so. OMB officials—and the president himself—will need increasingly robust analysis to help sort through budgetary problems that are only becoming more difficult. Making PART work requires a deep and ongoing commitment by OMB. Given the nature of budgetary problems, however, there are few other options, and none of them are good.

Patricia Ingraham <paingrah@maxwell.syr.edu>
03/05/2003 12:31:45 PM

Subject: RE: Final PART recommendations

Per your request, the following comments are my summary observations:
Overall Strengths of the PART Process

*   PART is a useful activity which has the potential to improve transparency, accountability, and better informed decisionmaking in federal agencies
*   OMB is to be commended for developing the proess, clarifying objectives, and responding to feedback in a relatively short period of time. This is clearly an incremental process, but an important foundation is now present.
*   There is some evidence that many of the agencies involved in this first year's activity are takig the process seriously and proceeding carefully.

Continuing Concerns

*   The links between the PART and existing activities --most notably GPRA--need to be clarified. While GPRA addresses overall department goals and missions and PART is program based, both are clearly part of the same package and should be more carefully integrated. The same is true of the integration of management objectives and measurement activities. They should be linked and should address the same objectives.
*   The existing Standards for Success --particularly those for Budget and Human Capital--potentially penalize agencies for externally imposed legislative and regulatory constraints. These constraints limit the programs' ability to achieve the objectives implied by PART. Examples include the classification system, multiple financial reporting systems, and multiple oversight mechanisms, both from the Congress and from the Executive Branch.
*   Rater consistency will always be a problem, but consistent training of analysts and feedback comparisons should be a continuing part of the process as should feedback from the programs analyzed.

Thanks for all your assistance to the Advisory Board and good luck!

Feedback on PART by Mortimer Downey:

1. <u>Strengths and weakness of the presentation of performance information</u>

   In terms of presentation, the major weakness was the great array of data for each program, complicated by the number of programs that were assessed. This was more of a weakness, I think, for the outside observer trying to get a picture of the whole process than it would be for those whose interests were limited to one or a few of the programs undergoing assessment.

   For those whose focus was limited, the PART gave a reasonably well-rounded and focused picture of a program's strengths and limitations. How well does it perform (if we have any idea of that)? What are the steps that should be taken to improve on both management and program performance? To the extent that these observations are the result of a deliberative process that involved both OMB and Department/agency officials, the PART is serving the purpose of supporting good decision-making.

2. <u>Improvements/revisions—consistency, "adequate measures," subjectivity, progress, etc.</u>

   Improvement in these areas is going to be an incremental process, made somewhat easier by the commendable degree of transparency provided by OMB in this first effort. Participants, whether in OMB, the Departments and agencies or the public, have the full range of results to review and compare, and the issues of consistency and adequacy should emerge from the comparison of results across programs.

   OMB, or outside observers, might enhance this process through some analyses of what worked and what didn't, as well as by looking at the budget decisions and outcomes for the various programs. If proponents of programs see that there is a reward for solid analysis, their motivation to perform well ought to increase.

   Subjectivity in a process like this one is clearly a danger, but the transparency of the process probably decreases the risk as compared to the traditional budget process.

   Measuring progress towards results is the critical area for continued effort. Many programs got a "pass" this time with the observation that they could not demonstrate results, but would take steps to improve their analytical capability. This is an important issue to follow up on. While it will be increasing difficult for agencies and for OMB to put the resources in place to carry forward analysis on a growing percentage of the government's activities, we should not go years

without determining that programs are taking steps to define and measure their outcomes.

3. How should PART treat programs with acceptable measures but bad targets?

I'm not quite certain what "bad targets" means, but assuming that it means a level of performance below optimum or not commensurate with the resources being provided, this is the essence of the budget and performance process. In one sense (see comments on question #5), the PART process may be too late to remedy this problem. The agency's strategic plan and its performance plan should have been identifying the proper targets all along. The time of the budget submittal is probably not the time to do this, but can be the basis of a reasonably well-founded resource decision as part of the budget process.

> If there is doubt as to the validity of the targets, OMB could request restatement as part of next year's review. If it is clear that the target is out of line, that could be the basis for a budget decision that provided less resources but still called for improved performance, or one that set the stage to remove impediments (legislative or managerial) to achieving desirable results.

4. What about programs that lack outcome measures or are process-oriented?

> While I am sure there are some valid areas of the Federal Government where process is more significant than outcomes, I would put the burden of proof on the Department or agency as to why this is the case. I suspect that the PART's focus across the board at a somewhat random selection of programs has uncovered many where their managers have failed, over the years, to come to grips with this issue. But that is a condition that can be rectified as part of a more rigorously practiced strategic planning process.

> In some cases, the measurement of process outcomes is a valid observation about managerial and program efficiency.   It is not wrong to ask if the trains are running on time, but it's far more important to ask where they are going. Without a sense of what is being achieved in terms of outcomes, how can you make a valid resource decision? If the outcomes are not known or not measured, how can you say that there is a need to enhance the performance of the process?

5. Linkage between strategic planning and results?

I assume that this question arises by virtue of the concern that PART has added an undue resource burden to complete and therefore some other effort ought to be cut back.

> If that is true, it certainly should not be the work of strategic planning. I suspect that those agencies that had the hardest time responding to the PART are also

those which have not put much effort into their strategic plans—especially at the level of program managers.

As noted above, the burden of proof ought to be on the proponents of programs to show why they are not measuring results and why their strategic plans, performance plans, and budgets are not linked in terms of how those results are going to be achieved.